Decleration of Growth rate of exports during the current Financial Year

929. DR. MANMOHAN SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether the growth of exports during the current financial year has decelerated;

(b) if so, the reasons for this deceleration; and

(c) the steps being contemplated by the Government to reverse this trend?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA [illegible]AIAH): Yes, Sir. As per DGCI&S data, growth in Dollar terms during April-September of the current financial year has been 9.9% over the corresponding period in 95-96 compared to overall annual growth of 18.4% in 94-95 and 21.0% in 95-96.

(b) The principal reasons for deceleration are as under:—

(i) Deceleration in the rate of global export growth in the current year from 8% in 1995 to 5.5% in 1996 as reported by WTO;

(ii) Decline in overall imports of clothing, footwear and leather accessories by leading countries such as USA, EU and Japan due to drawing down of inventories and some noticeable shift in the pattern of consumer preference and spending;

(iii) Sharp reduction in the permitted export ceilings for rice and wheat in view of tighter supply conditions in the indigenous market;

(iv) Fall in unit prices of both rough as well as cut and polished diamonds due to relative over-supply of roughs;

(v) High cost of export packing credit, both preshipment and post-shipment;

(vi) Slowing down of activity in certain sectors including consumer electronics and certain durable consumer goods resulting in lower degree of overall price competitiveness in exports;

(vii) Infrastructural inadequacies; and

(viii) Avoidable delays and high transactional cost at the time of securing export/import related clearance from various regulatory authorities.

(c) Steps being contemplated/being taken by the Government to reverse this trend including the following:—

(i) Increasing the normative target for export related credit from 10% to 12% of the total credit advances by scheduled banks.

(ii) Broadening ECGC support for encouraging exports to new markets;

(iii) Achieving better Inter-Ministerial Coordination with particular reference to streamlining of excise and customs procedures relating to foreign trade transactions;

(iv) Encouraging diversification to new export markets by giving accelerated weightage for purposes of Export House/Trading House recognition in respect of exports destined for new markets;

(v) Encouraging States to support the national export effort through schemes such as Export Promotion Industrial Parks and Crucial Infrastructure Balancing.

(vi) Besides the above, Government's view is that export promotion is a continuous process and steps are initiated by the Government to promote exports through simplification of policies and procedures, improving bilateral trade relations, debottlenecking of export infrastructure etc. Government also has consultations with the trade and industry, and the Parliamentary Committees for suggestions for initiation of appropriate measures.

Import of Gold under Special Import Licence by MMTC

930. SHRI SANJAY DALMIA: Will the Minister of COMMERCE be pleased to state:

(a) the total quantity of gold imported by MMTC under the special import licence during each of the last three years;

(b) whether gold was given to jewellery exporters under Gold on Loan scheme launched by MMTC;

(c) if so, the details of exporters and quantity of gold given to them during the above period, location-wise;

(d) whether the payment has been made to MMTC by the exporters after exporting jewellery in accordance with the rules prescribed by MMTC; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) The total quantity of gold imported by MMTC during the last three years under Special Import Licence is as follows:—

Year	Gold in Kgs.
1993-94	0
1994-95	3000
1995-96	7000

(b) and (c) Yes, Sir. About 400 exporters of gold jewellery have been given gold under loan schemes operated by MMTC. Total quantity of gold loaned by MMTC during the last 3 years state-wise is given below:—

(Qty. in Kgs.)

States	93-94	94-95	95-96	Total
Delhi	5571	5125	3993	14689
Uttar Pradesh	1253	1107	1518	3878
Maharashtra	2760	3749	3564	10073
Karnataka	676	1581	2376	4633
Andhra Pradesh	0	82	166	248
West Bengal	619	474	1225	2318
Rajasthan	0	0	74	74
Gujarat	63	311	200	574
TOTAL:	10942	12429	13116	36487

(d) and (e) Of the total quantity of 36,487 kgs. of gold issued on loan by MMTC to exporters, MMTC has not received payment for a quantity of 352 kgs. This works out to be less than 1% of the total amount of gold issued on loan by MMTC to jewellery exporters during the last three years. Reasons for non-payment broadly are the following:—

(1) Requests by some exporters for extension of time for effecting exports.

(2) Unauthorised removal of gold from the Customs bonded premises.

(3) Non-realisation of export proceeds.

Maharashtra Government's views on foodgrains policy of the Central Government

931. SHRI VEDPRAKASH P. GOYAL: Will the Minister of CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Maharashtra State Government has complained against the foodgrains policy of the Central Government;

(b) whether Food Corporation of India has turned down various requests of the State Government for the release of free sale wheat for the months of October and November, 1996; and

(c) whether Government would take immediate steps to release wheat to Maharashtra at the earliest keeping in view the fact that Maharashtra is non-wheat producing State and its-non-supply puts strain on the price situation?

THE MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI DEVENDRA PRASAD YADAV): (a) A communication has been received from the Government of Maharashtra regarding open market sale scheme of foodgrains.

(b) and (c) FCI has allotted a quantity of 35,000 tonnes of wheat for October, 96 and 40,000 tonnes of wheat for November, 96 for sale in Maharashtra under open market sale scheme. During the month of October, 96 out of 35,000 tonnes of wheat allotted 30,460 tonnes stand lifted by the buyers (from Maharashtra local depots—14,460 tonnes and from Gujarat—15,800) and the lifting of the balance quantity is in progress from Gujarat Region.